

CITIZENS' INDEPENDENT TRANSPORTATION TRUST (CITT)
Budget and Finance Committee Meeting
Tuesday, November 25, 2003
Stephen P. Clark Center
111 NW 1st Street
10 Floor, Conference Room
2:00 p.m.

Summary of Minutes

CITT MEMBERS:

Theodore Wilde, Chairman
Marc Buoniconti
Mike Abrams
Miles Moss

COUNTY ATTORNEY:

Bruce Libhaber

OTHERS PRESENT:

Dr. Carlos Bonzon, Surface Transportation Manager
Hilda Fernandez, CITT
Jack Furney, CITT
Patty David, CITT
John Prats, CITT
Manuel Mejido, Citizen
Pepe Valdes, CITT
Amy Horton-Tavera, OSMB
David Tinder, PWD
Oscar Camejo, MPO
Kevin Lynskey, OSMB
Marlene Amaro, CITT
Gaspar Miranda, PWD
Jose Galan, PWD
Virginia Diaz, CITT
Clinton Forbes, MDT
Roosevelt Bradley, MDT
Bob Pearsall, MDT
Michelle Brown, MDT
Karen MacNeill, MDT
Seraphin Bernard, MDT
Ovidio Rodriguez, MDT
Patrice Rosemond, CITT
Joanna Santiago, CITT

ROLL CALL

With a quorum being present, Mr. Wilde, Chairman, of the Budget and Finance Committee, called the meeting to order at 2:05 p.m.

Dr. Bonzon, Surface Transportation Manager, announced that the County Manager appointed, Hilda Fernandez as the CITT Executive Director effective immediately. Ms. Fernandez stated that she is grateful for the opportunity and looks forward to working with the Trust members.

CITIZENS' COMMENTS

None

APPROVAL OF AGENDA

Mr. Wilde asked for a motion to approve the agenda. Mr. Moss moved approval, seconded by Mr. Abrams and carried without dissent.

APPROVAL OF MINUTES – OCTOBER 7, 2003

Mr. Moss moved to approve the October 7, 2003 minutes, seconded by Mr. Buoniconti and carried without dissent.

OLD BUSINESS

FINANCIAL CONSULTANT

Mr. Wilde stated that the list of "Eligible Proposers by Category Awarded for Participation in MACS Pool" and a draft "Scope of Services" has been distributed. Mr. Abrams asked if the Budget and Finance Committee would recommend to the Selection Committee that the process for selecting a financial consultant be open beyond the pool. The members have expressed their concerns about hiring a firm that also works for Miami-Dade County. There are other firms available that are qualified that are not listed. It is very important for the CITT to have its own process and it should be open to all firms. There are firms within the pool that have existing contracts with the County. Any firm that would like to work for the CITT should not have a contract with the County. Mr. Libhaber, Assistant County Attorney, indicated that if the selection committee chooses to open for competitive bids, the CITT would need to have approval from the BCC to request advertisement. It is a 3 month process.

Kevin Lynskey, Office of Strategy Business Management, stated that the County Manager has the ability to contract for professional services underneath a million dollars threshold. He does not have to go through the BCC to advertise or to award a contract. There is not much time difference between an RFP and the pool. In addition, larger firms will not bid on a proposal that will exclude them from doing business with the other County departments.

Ms. Fernandez added that the benefits of hiring a firm that does not have an existing contract with the County, is the arms length the CITT prefers. The downside to that choice is that the learning curve involved in understanding how

government functions and how the government structures its financial plan is significant. Dr. Bonzon's suggestion to select a firm from the pool short-term with a provision that requests them to disclose what other county departments they have contracts with and which departments will be utilizing surtax proceeds. Those firms would be excluded. There are 11 firms in the current list that do not utilize surtax funds.

Mr. Abrams requested approval from the Budget and Finance Committee to recommend to the Selection Committee that they create an RFQ process or other such process that is independent and open to all participants and not limited to the county pool. The motion was seconded by Mr. Moss, and carried without dissent

Hilda Fernandez stated that because there are surtax monies involved in the contract the Trust needs to have BCC approval. If the Selection Committee would like a competitive process, staff will work with the Office of Performance Improvement (OPI) to determine the best process and format to meet the CITT needs and will report back to the Selection Committee.

SCOPE OF SERVICES

The members asked Jack Furney to add the following language to Review the County's Fiscal Year 2002/2003 actuals; and 1) Fiscal Year 2002-2003 and 5 year pro forma. (a copy of the scope of services was distributed)

QUESTIONS AND CONCERNS

Mr. Wilde stated that the following questions were raised but have not been answered because the pro forma has not been completed. Dr. Bonzon responded that the 30 year pro forma will be ready for the December 3, 2003 CITT Workshop. The F & G Inspections are included in the 30 year pro forma. A comprehensive analysis of the bus routes is being conducted by the Center for Urban Transportation Research (CUTR) and should be released next year. Mr. Pearsall stated that 25 priority routes have been identified from high ridership, complaint logs, and low ridership data.

CHECKLIST

Mr. Libhaber suggested adding the word "explicitly" to the language concerning CITT indemnification. Ms. Fernandez suggested allowing staff to continue to work on the list and will bring it back to the committee.

PENSKE CONTRACT

Mr. Buoniconti stated that the contract needs to be deferred until the pro forma has been made available. Mr. Wilde noted that the item was placed on the agenda for information only. In addition, a list of questions relating to the Penske contract was given to the MDT Director to respond (distributed). Mr. Bradley stated that he would prefer not to respond to questions 1, 2,3,4,5 7 and 9 until the pro-forma is distributed, but answered the following questions:

Q: 6) How many of the approximately 635 new buses could be maintained under the Penske contract?

A: 90 to 300.

Q 8) How much of the \$40 million for additional bus garages which the CITT approved in general in July is included in this contract?

A: The contract includes an option to build a garage; however, two more additional facilities will be needed for the additional buses purchased.

Q:10) Does MDT consider the possibility that some bus routes, particularly those of lower passenger density using minibuses or even vans, might be contracted out? How may any such contracting impact on this proposed contract?

A: Some routes are already being contracted out. There are 7 vendors under contract. In addition there are 12 Jitney routes operating.

Mr. Buoniconti asked how many future routes would be contracted out? Mr. Bradley responded that as part of this contract other municipalities that have interlocal agreements to provide certain bus routes and services. If they do not have the infrastructure to maintain and operate those buses they can contract with MDT. Mr. Buoniconti asked for a copy of the consulting agreement with the outside providers. Mr. Buoniconti noted there are 3 bus garages and asked what is the capacity for each garage. Mr. Bradley responded that all the garages are at capacity (250 buses). One hundred and seventy new buses have been purchased and there is not a facility available to store and maintain them.

CITT INTERNAL BUDGET

Jack Furney requested that the item be deferred until Hilda Fernandez has an opportunity to review it.

BASIC REGULAR INFORMATION FOR CITT

Jack Furney briefly explained the CITT November 2003 Report (distributed). The committee requested the information be provided at the CITT meetings. In addition, the Ordinance states that departments receiving PTP funds require monthly reports. Mr. Wilde asked that the current rate of interest be included as well as the ridership data from the previous years.

ACTION ITEMS:

BUS SERVICE IMPROVEMENTS OF THE PTP

Mr. Wilde asked what would occur if the Budget and Finance Committee did not approve the improvements. Mr. Bradley responded that the CITT approved Bus Service Improvements, June 23, 2003 (distributed). Mr. Bradley stated adjustments need to be made and you need to synchronize all other routes because they are all integrated. Mr. Forbes informed the members that the 3-year accelerated plan was approved by the CITT and the BCC. Exhibit 1 is a five-year plan for bus service improvements. Mr. Bradley added that the pro forma being presented includes the 5-year plan. Ms. Diaz asked if a 5-year plan is available. Mr. Bradley responded that it would be presented with the pro

forma. Mr. Wilde stated that the committee does not need to make bus route decisions. Mr. Buoniconti said there is no question that the routes need to be implemented. However, it needs to be implemented correctly with the proper analysis. Mr. Bradley stated that MDT has experienced personnel that provide bus route recommendations. In addition, CUTR will also be providing an independent analysis. Mr. Wilde said the problem is that the Trust does not know how much of MDT's budget will be receiving PTP monies. The concerns raised by CITT staff should be dealt with MDT staff and not with CITT. Mr. Bradley stated that the Project Review Committee (PRC) has approved the bus service improvements and the routes are part of the PTP, they are just being accelerated. The Ordinance states that MDT will implement bus service in 5 years by 2008, which is a total of 44 million miles. Ms. Diaz expressed her concern that MDT is presenting an item retroactive. It is not right for the CITT to approve something that management has already begun to implement without the proper approval process. Mr. Forbes added that the CITT does not want to concern itself with planning routes; it should focus on oversight over the funding relating to the project. In the Ordinance it states that the CITT will modify change or delete a project not a bus service improvement.

Mr. Libhaber noted that the reason the item is before the Budget and Finance is because the item is an addition or modification to the PTP. It was always contemplated that these improvements were going to be made and it was promised to the voters. While this is the basis of which the Ordinance was crafted, it was not a part of Exhibit A to the Ordinance. As a result, the County Attorney's Office advised staff that the itemized bus routes would be considered an addition to the PTP and would need CITT approval and then by the BCC. In so doing that however, you noticed that it provides specific time frames. In doing that, it tied the hands of staff and the Director to specific days that these new improvements would have to go out. What MDT is presenting is some of the items that are in the plan instead of being implemented next month should be pushed back and other items that are going to be implemented a year or two from now are going to be pushed forward. They may have been in the PTP but the specific timeframe and descriptions are going to be modified. As such, it is a modification to the PTP. MDT will be presenting to the CITT a modification for a five year plan to get back to what was originally promised to the public and what was originally contemplated in the Ordinance. However, that would be a change to the PTP as it has been revised.

Mr. Buoniconti stated that the CITT approved a resolution that it would not approve any additions, deletions or modifications to the PTP until the Trust has received the pro forma. Mr. Libhaber stated it only applied to contracts.

Mr. Wilde stated that the process taken has not been timely. He applauds MDT for proceeding to move forward with the improvements; however, it is difficult to approve the \$996,000 without reviewing the pro forma. He asked if the \$996,000 was included in the pro forma. Mr. Buoniconti asked what would occur if it was

not approved. Mr. Pearsall responded that marketing has already notified the passengers of the upcoming improvements. Mr. Buoniconti questioned why was that done without the proper approval.

Ms. Fernandez stated that Exhibit 1 includes the bus services improvements. However, MDT is recommending that the accelerated 3 years service improvement schedule has created a burden. What is being recommended is a 5 year implementation. The public was told it would be a 5- year plan. There was an attempt to accelerate the plan to 3 years but it created fiscal issues. The director is accelerating some routes, such as the Killian Kat. There are some routes, however that are not in the PTP. In the future, a process will be followed.

Mr. Wilde moved to approve that the Budget and Finance Committee did not take action on the bus service improvements that was recommended by the Project Review Committee due to the lack of financial information. Mr. Libhaber stated that Mr. Abrams has left the meeting and the committee has lost a quorum. Mr. Moss and Mr. Buoniconti agreed with Mr. Wilde's motion.

Mr. Wilde asked the items 8B (MOA Miami Dade & the City of Hialeah) and 8C (Public Works 2-year plan) be deferred to the next Budget and Finance Committee meeting December 11, 2003.

CITIZENS' COMMENTS

None

NEXT MEETING

Wednesday, December 11, 2003, SPCC 10th Floor Conference Room, 10:00 am.

ADJOURNEMENT

There being no further business the meeting adjourned at 4:45 p.m.